

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

UNITED STATES OF AMERICA :
 : CRIMINAL NO. _____
 :
 v. :
 : VIOLATIONS: 18 U.S.C. § 641
 : (Theft of
 SPEROULA FOTIADES- : government
 ALEXANDER : funds - 19
 : counts)
 : Notice of
 : Forfeiture

I N D I C T M E N T

COUNTS ONE THROUGH NINETEEN

THE GRAND JURY CHARGES THAT:

At all times materials to this indictment:

1. Defendant SPEROULA FOTIADES-ALEXANDER was an attorney admitted to the bar of the Commonwealth of Pennsylvania with a law office located in the Eastern District of Pennsylvania.

THE VETERANS ADMINISTRATION'S FIDUCIARY PROGRAM
FOR DISABLED VETERANS

2. The Veterans Administration ("VA") is an agency within the United States Department of Veterans

Affairs charged with administering laws that provide benefits and other services to veterans, their dependents, and their beneficiaries.

3. The VA provides monetary compensation to U.S. military veterans who are disabled by injury or disease incurred or aggravated during active service on behalf of our nation. Such disability compensation varies with the degree of disability and the number of dependents, and is paid monthly.

4. The VA also provides life insurance benefits and services to veterans (disabled and non-disabled), service members, and beneficiaries through eight different insurance programs offering coverage from \$10,000 to \$250,000.

5. The VA is authorized under Title 38, United States Code, Section 5502, to appoint a fiduciary to manage the affairs of a veteran, where it appears that such appointment would best serve the interests of the veteran. Such appointments occur, for example, where a veteran is bedridden or suffers from mental illness which causes that veteran to be unable to manage his or her financial affairs.

6. When the VA appoints a fiduciary for a

veteran, that fiduciary enters into a contract with the VA promising to comply with the laws and regulations administered by the VA for the veteran's protection. The VA's requirements include standards for the management of the veteran's account, limitations on the fiduciary's fees, and annual accountings to the VA.

7. The fiduciary is required, annually, to prepare and file with the VA a Federal Fiduciary Annual Account Form ("FFAF") which documents all monies received by the veteran from the VA and from other sources, as well as disbursements made by the fiduciary on behalf of the veteran. The FFAF also provides documentation of bank accounts and investments, funds disbursed, and the balance of funds remaining in the veteran's estate.

8. When a veteran dies, the fiduciary is required to pay all of the veteran's outstanding debts at the time of his death. If the deceased veteran has a VA life insurance policy with named beneficiaries, the fiduciary must attempt to locate the beneficiaries and inform them about the veteran's death. After paying all of the veteran's debts, the fiduciary must prepare a final FFAF.

9. If funds paid to the veteran by the VA remain in the veteran's estate after payment of debts and disbursements to beneficiaries, the fiduciary must return those federal funds to the VA, less any legal expenses of administration incurred by the fiduciary.

10. The fiduciary is authorized to pay himself or herself from the veteran's account a commission that cannot exceed 4% of the total VA monetary benefits paid to that veteran during a particular year for rendering all of the foregoing services.

11. The VA may suspend payments to a fiduciary if that fiduciary is not serving the needs and welfare of the veteran. When this occurs, the VA appoints a new fiduciary. The former fiduciary must then render a final accounting of a veteran's estate and transfer the estate to the newly appointed fiduciary.

DEFENDANT FOTIADES-ALEXANDER AS FIDUCIARY
FOR DISABLED VETERANS

12. Beginning on or about March 29, 1993, and continuing to on or about April 5, 2001, defendant SPEROULA FOTAIDES-ALEXANDER either stole or attempted to steal money

from, among others, the following disabled veterans, whose identities are known to the grand jury.

13. Veteran M.C. was born on July 2, 1936. He served in the United States Armed Services and was honorably discharged in 1957. Defendant FOTIADES-ALEXANDER was appointed the commissioned fiduciary for M.C. on or about February 16, 1993.

14. Veteran B.M. was born on April 29, 1951. He served in the United States Armed Services and was honorably discharged in 1974. Defendant FOTIADES-ALEXANDER was appointed the commissioned fiduciary for B.M. on or about June 30, 1998.

15. Veteran S.E. was born on May 5, 1949. He served in the United States Armed Services and was honorably discharged in 1990. Defendant FOTIADES-ALEXANDER was appointed the commissioned fiduciary for S.E. on or about July 29, 1993.

16. Veteran T.R. was born on March 12, 1929. He served in the United States Armed Services and was honorably discharged in 1990. Defendant FOTIADES-ALEXANDER was appointed the commissioned fiduciary for T.R. on or about

January 12, 1993.

17. Veteran L.C. was born on October 6, 1924. He served in the United States Armed Services and was honorably discharged in 1995. Defendant FOTIADES-ALEXANDER was appointed the commissioned fiduciary for L.C. on or about March 14, 1997.

18. On or about the dates listed below, in the Eastern District of Pennsylvania, defendant

SPEROULA FOTIADES-ALEXANDER

knowingly received, concealed and retained stolen property of the United States, that is, United States Veterans benefits which had been deposited into the bank accounts of the following disabled military veterans, by writing checks on the accounts of the veterans which defendant intended to convert and converted to her own use, each check in excess of \$1,000 and constituting a separate count:

<u>COUNT</u>	<u>VETERAN</u>	<u>BANK</u>	<u>DATE</u>	<u>CHECK AMOUNT</u>
1	M.C.	PNC/Check #450	5/5/1999	\$2,000
2	M.C.	PNC/Check #452	5/13/1999	\$1,500
3	M.C.	PNC/Check #454	5/20/1999	\$2,000
4	M.C.	PNC/Check #459	9/10/1999	\$7,450

5.	B.M.	PNC/Check #184	4/15/2000	\$3,500
6	B.M.	PNC/Check #191	7/11/2000	\$4,000
7	B.M.	PNC/Check #197	8/30/2000	\$1,500
8	B.M.	PNC/Check #226	12/27/2000	\$2,500
9	S.E.	PNC/Check #541	3/14/2000	\$2,000
10	S.E.	PNC/Check #546	5/22/2000	\$2,500
11	S.E.	PNC/Check #550	5/29/2000	\$1,500
12	S.E.	PNC/Check #552	7/11/2000	\$2,400
13	S.E.	PNC/Check #558	8/5/2000	\$2,000
14	T.R.	PNC/Check #463	10/26/1998	\$1,500
15	T.R.	PNC/CHECK #472	1/20/1999	\$3,700
16	T.R.	PNC/Check #475	2/10/1999	\$1,500
17	T.R.	Cash Withdrawal	2/25/1999	\$6,108.25
18	T.R.	Cash Withdrawal	7/28/2000	\$7,000
19	T.R.	Cash Withdrawal	11/16/2000	\$3,500

In violation of Title 18, United States Code,
Section 641.

NOTICE OF FORFEITURE

1. As a result of the violations of Title 18, United States Code, Section 641, set forth in this Indictment, defendant

SPEROULA FOTIADES-ALEXANDER

shall forfeit to the United States of America any property constituting, or derived from, proceeds obtained directly or indirectly as the result of the violations of Title 18, United States Code, Section 641, as charged in this Indictment, including, but not limited to, the sum of \$105,817.81.

2. If any of the property subject to forfeiture, as a result of any act or omission of defendant:

- (a) cannot be located upon the exercise of due diligence;
- (b) has been transferred or sold to, or deposited with, a third party;
- (c) has been placed beyond the jurisdiction of the Court;
- (d) has been substantially diminished in value; or

(e) has been commingled with other property which cannot be divided without difficulty;
it is the intent of the United States, pursuant to Title 18, United States Code, Section 982(b), incorporating 21 U.S.C. § 853(p), to seek forfeiture of any other property of defendant up to the value of the property subject to forfeiture.

All pursuant to Title 18, United States Code, Section 982(a)(2).

A TRUE BILL:

FOREPERSON

PATRICK L. MEEHAN
United States Attorney